

OMB APPROVAL	
OMB Number:	3235-0049
Expires:	May 31, 1997
Estimate average burden hours per response.	9.01

Name of Investment Adviser: Nelson, Terry Warren				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
1957 Lake Street,	Roseville,	MN	55113	(651) 638-9428

This part of Form ADV gives information about the investment advisor and its business for the use of clients. The information has not been approved or verified by any governmental authority.

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Definitions for Part II

Related person – Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services – Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client’s personal and family obligations.

1. A. Advisory Services and Fees. (check the applicable boxes)		For each type of service provided, state the approximate % of total advisory billings from that service. (See instructions below.)
Applicant:		
<input type="checkbox"/> (1) Provides investment supervisory service		%
<input checked="" type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services	10	%
<input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above	40	%
<input type="checkbox"/> (4) Issues periodicals about securities by subscription		%
<input type="checkbox"/> (5) Issues special reports about securities not included in any service described above		%
<input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities		%
<input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	50	%
<input type="checkbox"/> (8) Provides a timing service		%
<input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above		%

(Percentages should be based on applicant’s last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes No

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly wages | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant’s basic fee schedule, how fees are charged and whether its fees are negotiable
- When compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** – Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates. Or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

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3. **Types of Investments** – Applicant offers advice on the following: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Equity Securities
<input checked="" type="checkbox"/> (1) exchange-listed securities
<input checked="" type="checkbox"/> (2) securities traded over-the-counter
<input checked="" type="checkbox"/> (3) foreign issuers | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> B. Warrants | <input checked="" type="checkbox"/> I. Options contract on:
<input checked="" type="checkbox"/> (1) securities
<input checked="" type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> C. Corporate debt securities
(other than commercial paper) | <input checked="" type="checkbox"/> J. Futures contracts on:
<input checked="" type="checkbox"/> (1) tangibles
<input checked="" type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input checked="" type="checkbox"/> K. Interests in partnerships investing in:
<input checked="" type="checkbox"/> (1) real estate
<input checked="" type="checkbox"/> (2) oil and gas interest
<input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> F. Municipal securities | |
| <input checked="" type="checkbox"/> G. Investment company securities
<input checked="" type="checkbox"/> (1) variable life insurance
<input checked="" type="checkbox"/> (2) variable annuities
<input checked="" type="checkbox"/> (3) mutual fund shares | |

4. **Methods of Analysis, Source of Information, and Investment Strategies:**

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|--|---|
| 1. <input checked="" type="checkbox"/> Charting | 4. <input checked="" type="checkbox"/> Cyclical |
| 2. <input checked="" type="checkbox"/> Fundamental | 5. <input type="checkbox"/> other (explain on Schedule F) |
| 3. <input checked="" type="checkbox"/> Technical | |

B. The main source of information applicant uses include: (check those that apply)

- | | |
|--|--|
| 1. <input checked="" type="checkbox"/> Financial newspapers and magazines | 4. <input checked="" type="checkbox"/> Timing services |
| 2. <input type="checkbox"/> Inspections of corporate activities | 5. <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| 3. <input checked="" type="checkbox"/> Research materials prepared by others | 7. <input checked="" type="checkbox"/> Company press releases |
| 4. <input checked="" type="checkbox"/> Corporate rating services | 8. <input type="checkbox"/> other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|---|
| 1. <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | 5. <input type="checkbox"/> Margin transactions |
| 2. <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | 6. <input type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| 3. <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | 7. <input type="checkbox"/> other (explain on Schedule F) |
| 4. <input type="checkbox"/> Short sales | |

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No **X**

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- X** A. Applicant is actively engaged in a business other than giving investment advice.
- X** B. Applicant sells products or services other than investment advice to clients.
- X** C. The principle business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading advisor.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<u> </u> (1) broker-dealer	<u> </u> (7) accounting firm
<u> </u> (2) investment company	<u> </u> (8) law firm
<u> </u> (3) other investment advisor	X (9) insurance company or agency
<u> </u> (4) financial planning firm	<u> </u> (10) pension consultant
<u> </u> (5) commodity pool operator, commodity trading advisor or futures commission merchant	<u> </u> (11) real estate broker or dealer
<u> </u> (6) banking and thrift institution	<u> </u> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related persons a general partner in any partnership in which clients are solicited to invest? Yes No **X**

(If yes, describe on Schedule F the partnerships and what they invest in.)

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9. **Participation or Interest in Client Transaction.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transaction and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

10. **Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?
- | | |
|--------------------------|-------------------------------------|
| Yes | No |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |

(If yes, describe on Schedule F.)

11. **Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of accounts. **For reviews**, include their frequency, different level, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Refer to Schedule F

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Refer to Schedule F

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12. Investment or Brokerage Discretion.

- A. Does the applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|--|----------|----------------|
| (1) securities to be bought or sold? | Yes
— | No
X |
| (2) amount of the securities to be bought or sold? | Yes
— | No
X |
| (3) broker or dealer to be used? | Yes
— | No
X |
| (4) commission rates paid? | Yes
— | No
X |

- B. Does applicant or related person suggest brokers to clients? Yes No
X —
- For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:
- the products, research and services
 - whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
 - whether research is used to sell all of applicant's accounts or just accounts paying for it; and
 - any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

- Does the applicant or a related person have any arrangements, oral or in writing, where it:
- | | | |
|--|-----------------|----------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-clients in connection with giving advice to clients? | Yes
X | No
— |
| B. directly or indirectly compensates any person for client referrals? | Yes
— | No
X |
- (For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- | | | |
|--|----------|----------------|
| Has applicant provided a Schedule G balance sheet? | Yes
— | No
X |
|--|----------|----------------|

Applicant:

Nelson, Terry Warren

SEC File Number:

801- **46663**

Date:

Jan 1-2003

(Answers for Form ADV Part I Item 11 and 12.)

This Schedule is submitted for an individual who is: (Check all boxes that apply)

- A. the applicant, named in Part I Item 1A
- B. a control person, named in Part I Item 10A
- C. an owner of at least 10% of a class of applicant's equity securities
- D. an officer or director, partner, or individual with similar status of applicant, described in Schedule A Item 2a, Schedule B Item 2, or Schedule C Item 2
- E. a member of the applicant's investment committee that determines general investment advice to be given to clients
- F. if an applicant has no investment committee, an individual who determines general investment advice (if more than five, complete for their supervisors only)
- G. an individual giving investment advice on behalf of the applicant in the jurisdictions checked below:

AL	AK	AZ	AR	CA	CO	CT	DE	DC	FL	GA	HI	ID
IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	<input checked="" type="checkbox"/> MS	MO
MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA
RI	SC	SD	TN	TX	UT	VT	VA	WA	WV	WI	WY	Puerto Rico
Other: _____												
(Specify)												

- H. involved in any yes answer to the disciplinary question, Part I Item 11.

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(Answers for Form ADV Part I Item 11 and 12.)

1. Applicant investment advisor: (see Part I Item 1A) Nelson, Terry Warren		IRS Empl. Ident. No.:
2. Individual's full name for whom this Schedule is being completed: Nelson, Terry Warren	Social Security Number: 387-72-1573	CRD No., if any:
3. (a) Residence of individual (Number and Street) 1957 Lake Street	(City) Roseville	(State) MN
(b) Birth Date: Sept. 9, 1963	(c) City: Eau Claire	(d) State or Province: WI
		(e) Country: USA

4. NAMES USED. List all names other than the one given in Item 2 above that the individual has used, including maiden names:
(Last) (First) (Middle)

5. EDUCATION. Start with last high school attended. If no degree received, state "none."

School: (Name, City and State)	Years Attended	Year Graduated	For College and Above	
			Degree	Major
Boyceville High School, Boyceville, WI	9-78	5-82		
Eau Claire Tech. College, Eau Claire, WI	9-82	5-84	Associates / Law Enforcement	
Mankato State University, Mankato, MN	9-84	5-85	None / Law Enforcement	
Metro State University, St Paul, MN	9-95	12-97	Bachelors / Finance	
College for Financial Planning, Denver, CO	1-98	1-2001	Masters Degree / Financial Planning	

6. BUSINESS BACKGROUND. Provide complete consecutive statement of all employment for the past ten years, beginning with the most recent position first.

Name of Firm and Address	Kind of Business	Exact Nature of Connection or Employment	Beginning Date		Ending Date	
			Month	Year	Month	Year
HOMETOWN Financial Planning Roseville, MN 55113	Financial Services	Sole Proprietor	1	87	Present	
College for Financial Planning Denver, CO 56001	University	Financial Planning Teacher	1	02	Present	
Minnesota State University Mankato, MN 56001	University	Financial Planning Teacher	2	01	Jan 2004	
EAlvest.com San Francisco, CA 941083	Brokerage Firm	Advisor to Board of Directors	2	01	Feb 2002	
Guardian Computer Tutors Roseville, MN 55113	Computer Tutor	Sole Proprietor	2	92	11	93

7. EXAMINATIONS/PROFESSIONAL DESIGNATIONS. List all jurisdiction, self-regulatory organization, and professional examinations and designations. Give examination or designation name (include any examination's title and number), body given it, and date taken or conferred. If examination was waived, give details.

Insurance Licenses: State of MN, Life / Health / Disability (1985); Property / Casualty (1990); Variable Products (1995)

Certified Financial Planner Board of Standards, Inc.: CFPTM Designation (1994)

NASD: Securities License - Series 7 and 63 (1994), Opted out of selling products and license in (1-97) to do only fee based investment advice.

8. PROCEEDINGS. For each 'yes' answer to Part I Item 11 involving the individual, give the following details of any court or regulatory action:

- the advisor and individuals named,
- the title and date of the action,
- the court or body taking the action, and
- a description of the action

Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II

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(Do not use this Schedule as a continuation Sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Form ADV: Nelson, Terry Warren	IRS Empl. Ident. No:
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Item of Form (identify)	Answer
<p>Part II, No. 1- A (2) (3) (7)</p>	<p>The Applicant provides investment advice through consultations, and on more than an occasional basis furnishes advice to clients on matters not involving securities. These services are offered to individual and corporate clients. The Applicant's Financial Planning Advice includes, but is not limited to, oral advice, written analysis and reports and computer generated analysis, all of which provides clients with a Financial Blueprint designed to achieve their stated financial goals and objectives.</p> <p>In general, a full service client will receive financial planning advice, which will address the following area's pertinent to the clients situation:</p> <p>Personal: Family budgeting, personal liability, estate planning information and defining and setting achievable financial goals.</p> <p>Tax & Cash Flow: Income tax and spending analysis, also planning for past, current and future cash flow.</p> <p>Retirement: Analysis of current strategies and investment plans to help clients focus on and achieve their retirement goals.</p> <p>Investments: Analysis of investment alternatives and their effect upon a client's portfolio. It is usually the case that clients receive both generic and specific recommendations (that is, recommendations not limited to any specific security or financial product, but rather to types or classes of securities or financial products) with respect to investment planning and asset allocation.</p> <p>Investment Supervisory Services: Continuing investment advice and/or making investments for the Client, based on the individual needs of the Client.</p> <p>Death and Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.</p> <p>To the extent that specific product recommendations are made, the Applicant generally limits his recommendations to products offered by companies he represents or with which he is reasonably knowledgeable. <i>Clients are under no obligation to utilize the services of the Applicant for the implementation of any recommendations.</i></p> <p>When Clients do choose to retain the services of the Applicant, in his capacity as a registered representative and/or insurance broker, for the implementation of recommendations,</p> <ul style="list-style-type: none"> • The Applicant may receive an hourly or flat fee, ongoing management fees, usual and customary commissions or any combination thereof. <p><i>Thus, If Any Time Commissions Are Involved, A CONFLICT OF INTEREST EXISTS</i> between,</p> <ul style="list-style-type: none"> • The Applicants Fiduciary Duty to provide Unbiased Advice, and • The Applicant's interest in monetary gain. <p><u><i>The Client is informed of this Conflict of Interest wherever it exists.</i></u></p> <p>Clients receive a variety of Generic and Specific Recommendations based upon an analysis of the above referenced areas, and tailored to meet the needs and objectives of each individual client.</p>

The Applicant gathers the required information through in-depth personal interviews designed to elicit the Clients current financial status, family obligations, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, along with a questionnaire completed by the client, and a written report may be prepared.

Fee Schedule and Asset Management Accounts

For general **Financial Planning Services**, there is an initial Setup/Planning Fee. The amount of the fee will depend on the complexity and scope of the client's needs. Full service financial plans are charged for on an hourly or fixed fee basis, agreed upon by the Client and the Advisor. Financial Planning Fees range from \$1,000 to more than \$5,000, depending on how extensive the Clients needs may be. Fixed Planning Fees are payable on the date the client agreement is signed.

This initial Setup/Planning Fee is based on, an estimated number of hours the advisor will need to do proper planning, together with the advisors hourly rate of \$150. This Setup/Planning Fee *may be somewhat negotiable*, but must be agreed upon, and recorded in the CLIENT AGREEMENT, by both the client and the advisor before any fee will be charged.

Terry Nelson, CFPTM MS in his capacity as an Investment Advisor will manage specified assets for Clients. These asset management accounts may include stocks, bonds unit investment trusts, mutual funds, variable annuities and limited partnerships, or other assets. Mr. Nelson will assist the Client in the purchase and sale of such assets using an allocating system selected and agreed upon by both the Advisor and the Client. However, **Mr. Nelson will not take custody of Clients assets at any time**. This means Mr. Nelson **will not hold, take custody of or have Clients assets directed to himself** at any time (except for the payment of fees). The allocation system will be determined based on the information supplied by the Client and designed to meet the Clients investment objectives. Mr. Nelson will provide, on a *Limited Discretionary Basis*, assistance and advice on the purchase and sale of all Clients assets including stocks, bonds, load and no-load mutual funds to meet the Clients goals.

For **Asset Management Services / Investment Supervisory Services**, Clients will be charged an annualized Asset Management Fee based on the value of the assets managed (at the end of each quarter). Asset Management Fees are based on the following table:

- 80 basis points per year (or 0.8%) on the first \$1 million
- 60 basis points per year (or 0.6%) on amounts in excess of \$1 million

The fee is payable quarterly, with the first payment due at the beginning of each calendar year quarter following the execution of the Advisory Agreement. Fees will be based on the previous quarters ending portfolio value.

Asset Management Fees for the first quarter will be pro-rated from the date the contract is signed, and deducted directly from the account at the end of that quarter. Additional payments will be deducted directly from the account at the end of each calendar quarter thereafter.

All Asset Management Accounts and Securities are held with **TD Waterhouse Institutional Services**.

When opening an asset managed account, the Investment Advisor is responsible for obtaining financial data along with investment experience to determine the appropriate suitability and investment objectives for Clients.

Clients may also incur charges by third parties other than those imposed by the Investment Advisor. These fees may include, but are not limited to certain 12B-1 distribution fees (trail commissions), normal brokerage account fees, Contingent Deferred Sales Charges on mutual fund and previously purchased mutual funds and IRA and Qualified Retirement Plan fees.

Lower fees for comparable services may be available from other advisors.

Clients Are Under No Obligation To Select Any Advisor Or Insurance Company For The Implementation Of Any Planning Service Recommendations Or Advice. On occasion, fees may be waived or partially offset by commissions.

The Client or the Advisor may terminate the relationship at any time by notifying the other party by certified mail. The hourly pro-rated portion of *Unearned Prepaid Fees* (of \$150 per hour) will be returned to the client within 5 business days.

**Part II,
No. 6**

The Applicant, Terry Warren Nelson, CFP™ MS, has been in the financial planning and services industry since 1985 and began his practice as a Certified Financial Planner in March of 1994. The **Certified Financial Planner Board of Standards, Inc.** currently licenses Mr. Nelson to use the *Certified Financial Planner* and CFP™ marks. He is an active member in good standing with the **Financial Planning Association**. He is also very active in his local community promoting high standards of conduct, technical knowledge and professionalism in the industry. As a member of the local chapter of the Financial Planning Association of Minnesota, Terry Nelson, CFP™ MS has served as a board member for a number of years as well as serving on a number of committees.

Terry Nelson, CFP™ MS was born in 1963 in Wisconsin where he grew up. After high school, he graduated with an Associates Degree in Law Enforcement from Eau Claire Community College in 1984. He also attended Mankato State University from 1984 to 1985 where he studied law enforcement. Mr. Nelson has worked in the insurance industry as a health, annuity and life insurance representative until 1991, when he began specializing in personal financial planning for clients. He also then entered the College For Financial Planning of Denver Colorado studying to become a **Certified Financial Planner**. Then from 1995 to 1997, Mr. Nelson attended Metro State University, where he graduated with a **Finance Major**. Mr. Nelson has received a **Master of Science Degree** in the area of Financial Planning from the College of Financial Planning of Denver Colorado in January 2001. The College of Financial Planning named Terry Nelson, CFP MS their most outstanding graduate in 2002.

Terry Nelson, CFP™ MS has taught Financial Planning and Investment Management courses at various Colleges / Universities, as well as writing articles for various publications. He currently teaches exclusively for the College of Financial Planning.

Terry Nelson, CFP™ MS is personally dedicated to continuing his education in the area's of Investment Advice, Portfolio Management and Financial Planning as a way to ensure the best possible service to his advisory clients.

**Part II,
No. 7 (A) (B) (C)**

When implementing securities transactions, HOMETOWN Financial Planning and Asset Management uses the services of **TD Waterhouse Institutional Services** to place investment orders and transactions. Mr. Nelson, is the owner of HOMETOWN Financial Planning and Asset Management, which is a licensed

insurance agency for various insurance companies. However, insurance is not Hometown Financial Planning and Asset Management's primary business. The insurance business is primarily used to implement financial plans and assist in the financial planning process for financial planning clients.

Terry Nelson, CFP™ MS has also served as an Advisory Board Member to a national online brokerage.

**Part II,
No. 8 (C)**

(1) When implementing securities transactions, the applicant uses the services of **TD Waterhouse Institutional Services** to place investment orders and transactions. It is independently owned and not affiliated with any product supplier or vendor.

(9) The Applicant is licensed to implement, for commissions, insurance products through Kemper Life, as well as others.

**Part II,
No. 9 (B)**

When placing securities transactions for clients, the applicant DOES NOT earn commissions. However, where there is a potential Conflict of Interest, (such may be the case in insurance transactions) **it is fully disclosed** to all clients and potential clients.

**Part II,
No. 9 (D)**

THE APPLICANT IS OBLIGATED TO PROVIDE UNBIASED AND OBJECTIVE RECOMMENDATIONS TO HIS CLIENTS AND MAKES EVERY EFFORT TO DO SO. Because the Applicant generally limits his specific securities and insurance product recommendations to products offered by the companies he represents, a *Conflict Of Interest Often Can Exist* between the Applicants Fiduciary Duty to provide unbiased advice and the Applicants interest in monetary gain.

- Again, all potential *Conflicts Of Interest* **will be Fully Disclosed** to all clients and potential clients.

**Part II,
No. 9 (E)**

The Applicant may from time to time buy or sell securities that he also recommends to clients. Although the total volume of such transactions is insignificant to the marketplace, at no time does the applicant give itself favorable treatment, or otherwise trade upon the market impact of its recommendations.

**Part II,
No. 11 (A) (B)**

Review Of Accounts

Full service and limited service financial planning clients may contract for investment advisory services, reviewing and updating of accounts, on an annual basis or more frequently if requested by the client. This review encompasses:

- cash flow analysis,
- specific and general investment analysis and performance recommendations,
- coordinating tax planning analysis and recommendations with the clients tax advisor,
- insurance analysis and updating recommendations, and
- Other applicable topics.
- Clients may request additional items to be reviewed and/or request special planning services.

The Applicant reviews all accounts. The frequency of reports for financial planning clients will depend on each Clients individual needs. Specific and general investment analysis is done on a portfolio basis. **The number of Clients will never exceed a number that would compromise the standards of the Applicant, in his duty to adequately service each individual Client's account.**

**Part II,
No. 12 (B)**

Nature and Frequency of Regular Reports on Clients Accounts

The Applicant does not prepare regular reports on Clients specific accounts. Clients get reports from the mutual fund, insurance company or other account sponsor at least on an annual basis and according to that companies own format. However, the applicant does meet with clients as often as a client requires, to review their accounts.

Clients wishing to implement the Applicants advice are informed that they are free to select any broker/dealer, or insurance company they wish, and are under no obligation to do so with the Applicant.

Clients who desire that the Applicant implement the advice, are informed that the when implementing securities transactions, the Applicant uses the services of TD Waterhouse Institutional Services to place investment orders and transactions.

**Part II,
No. 13 (A)**

The Applicant, when placing some insurance transactions for clients, may earn a commission depending on the insurance carrier used. Where there is a Conflict of Interest, it is fully disclosed to all clients and potential clients.

Terry W Nelson, CFP™ MS is Licensed or Registered with the following Governmental Departments, Boards or Associations:

Certified Financial Planner Board of Standards, Inc.:

- License Number is: **052071**, 1(303) 830-7543

Financial Planning Association (FPA):

- License Number is: **33519**, 1(800) 322-4237

Minnesota Department of Commerce:

- Investment Advisor number is: **801-46663**, 1(612) 296-6319
- Insurance License number is: **0013312**, 1(612) 296-6319

Securities and Exchange Department:

- Registration Number is **801-46663**, 1(312) 353-7390